

SENATE COMMITTEE SERVICES

BILLS PASSED

DURING THE 2015 THIRD SPECIAL LEGISLATIVE SESSION
(INCLUDES GOVERNOR'S ACTIONS THRU OF JULY 15, 2015)

LISTED BY SENATE COMMITTEE



July 23, 2015



TO: Senators and Legislative Staff

FROM: Susan D. Howson, Director (786-7401)
Senate Committee Services

SUBJECT: Preliminary Report on Bills Passed During the 2015 Third Special Legislative Session

DATE: July 23, 2015

We are pleased to provide you this preliminary edition of our summary of "Bills Passed During the 2015 Third Special Legislative Session, by Committee of Origin." This report includes a brief description of each Senate and House bill passed by the 2015 Legislature. The final Third Special Session Report can be found at <http://www.leg.wa.gov/SENATE/COMMITTEES/Pages/default.aspx>.

You will find that bills are listed under their committee of origin in the Senate. This report also includes a bill index at the end of the report.

It was a pleasure to serve you, and we hope you find this report useful. Please feel free to contact me or any of our staff if you have any questions or need any further information or assistance.



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This document was prepared by non-partisan legislative staff for the use of legislative members. It is not a part of the legislation nor does it constitute a statement of legislative intent.

AGRICULTURE, WATER & RURAL ECONOMIC DEVELOPMENT

786-7411

ESHB 2128: CONCERNING FEES ASSESSED BY THE DEPARTMENT OF AGRICULTURE

Prime Sponsor: Representative Hudgins

**Signed by the Governor*

- Increases licensing fees for food processors, food storage warehouse operations, milk processors, and dairy technicians.
- Establishes new fees for each endorsement on dairy technicians' licenses.
- Increases fees for sanitary certificates for milk processing plants and food processors.
- Establishes a new fee for manufacturing facilities that must be inspected under a Pasteurized Milk Ordinance that are not otherwise currently inspected.
- Redirects certain revenue from dairy-related licensing, from the state General Fund to the Agricultural Local Fund.

COMMERCE & LABOR

786-7426

ESHB 1965: IMPLEMENTING A TEMPORARY ADDITIONAL FEE ON LICENSES AND PERMITS ISSUED BY THE WASHINGTON STATE LIQUOR CONTROL BOARD

Prime Sponsor: Representative Hudgins

(SB 5400 Senator Conway)

**Signed by the Governor*

- Imposes a temporary additional fee of 6.2 percent on marijuana licenses and most liquor licenses and permits issued by the Liquor Control Board.
- Provides that the additional fees are for modernizing the Liquor Control Board's licensing, enforcement, and imaging systems.
- Imposition of the new fee is contingent on provision of a funding allocation for the licensing and modernization project from the information technology pool.

EARLY LEARNING & K-12 EDUCATION

786-7420

SB 5303: CREATING THE WASHINGTON ACADEMIC, INNOVATION, AND MENTORING (AIM) PROGRAM

Prime Sponsor: Senator Litzow

**5303 was not enacted but is incorporated in part into the operating budget as a proviso, as described below:*

- Provides a grant to an eligible neighborhood youth development entity that meets specified criteria to provide out-of-school time programs for youth ages 6-18 that include educational services, mentoring, and linkages to positive, prosocial leisure, and recreational activities.

E2SSB 5688: PROVIDING STUDENTS WITH SKILLS THAT PROMOTE MENTAL HEALTH AND WELL-BEING AND INCREASE ACADEMIC PERFORMANCE

Prime Sponsor: Senator Litzow

(HB 1760 Representative Senn)

**E2SSB 5688 was not enacted but is incorporated in part into the operating budget as a proviso, as described below:*

- Provides funds for the Superintendent of Public Instruction to convene a workgroup to recommend comprehensive K-12 benchmarks for developmentally appropriate interpersonal and decision-making knowledge and skills of social and emotional learning.
- Specifies that the benchmarks must build upon what is being done in early learning.
- Requires the workgroup to submit its recommendations to the education committees of the Legislature and the Governor by October 1, 2016.

SB 5787: CONCERNING A MODEL POLICY AND PROCEDURES FOR LANGUAGE ACCESS BY LIMITED-ENGLISH PROFICIENT PARENTS OF STUDENTS

Prime Sponsor: Senator Jayapal

(HB 2006 Representative Moscoso)

**SB 5787 was not enacted but is incorporated in part into the operating budget as a proviso, as described below:*

- Provides funds for the Washington State School Directors' Association (WSSDA) to develop a model policy and procedures for language access by limited-English proficient parents.
- Specifies that the Office of Superintendent of Public Instruction (OSPI) must track which schools have and have not adopted the WSSDA model policy.
- Requires OSPI to convene an advisory committee with certain representatives to develop sample materials for school districts to disseminate to both school employees and parents regarding parents' rights under the model policy by July 1, 2016.
- Mandates that OSPI adopt rules regarding districts' communication of the language access policy and procedure to parents, students, employees, and volunteers.
- Tasks OSPI with publishing on its website a list of language access services providers available to districts.

SB 6130: CONCERNING THE STATE'S CONSTITUTIONAL BASIC EDUCATION OBLIGATION, INCLUDING REDUCING OVERRELIANCE ON LOCAL LEVIES

Prime Sponsors: Senators Dammeier, Rolfes, Rivers, and Hargrove

**6130 is incorporated, in part, into the operating budget as a proviso in Part V, section 501.*

SB 6145: DELAYING FOR TWO YEARS THE HIGH SCHOOL GRADUATION REQUIREMENT OF MEETING THE STATE STANDARD ON THE HIGH SCHOOL SCIENCE ASSESSMENT.

Prime Sponsor: Senator Fraser

**Signed by the Governor*

- Delays for two years the high school graduation requirement of meeting the state standard on the high school science assessment.

ESHB 1420: ESTABLISHING A LEGISLATIVE TASK FORCE ON SCHOOL SITING

Prime Sponsor: Representative Wilcox

**ESHB 1420 was not enacted but is incorporated into the capital budget as a proviso, as described below:*

- Creates a task force to review the siting of schools inside and outside of urban growth areas, and to consider several specified issues.
- Includes the chairs and ranking members of the legislative education and government committees and representatives from specified organizations as members of the Task Force.
- Specifies that the expenses of the Task Force are subject to approval by the Senate Facilities and Operations Committee and the House of Representatives Executive Rules Committee.
- Requires a summary of the Task Force's discussions and any recommendations be provided to the appropriate committees of the Legislature by December 1, 2015.

2E2SHB 1491:IMPROVING QUALITY IN THE EARLY CARE AND EDUCATION SYSTEM

Prime Sponsor: Representative Kagi

(E2SSB 5452 Senator Litzow)

**Signed by the Governor*

- Makes comprehensive changes to Early Achievers, a quality rating and improvement system for early care and education programs; Early Childhood Education and Assistance Program (ECEAP), preschool for eligible three to four-year-old children; and Working Connections Child Care (WCCC), subsidized childcare for families that meet certain requirements.
- Requires childcare providers and preschool providers receiving state-funded support to participate in Early Achievers by certain deadlines.
- Provides 12-month authorizations for WCCC and removes certain reporting requirements.
- Changes the date for full statewide implementation of ECEAP from the 2018-19 school year to the 2020-21 school year.
- Tasks the Department of Early Learning (DEL) with creating a single set of licensing standards for childcare and ECEAP.
- Requires collection of longitudinal, student-level data on children attending WCCC and ECEAP and reports by the Washington State Institute for Public Policy (WSIPP) and DEL.

ESHB 1570: CREATING FLEXIBILITY FOR THE EDUCATOR RETOOLING CONDITIONAL SCHOLARSHIP PROGRAM

Prime Sponsor: Representative Gregory

(SB 5312 Senator Litzow)

**Signed by the Governor*

- Specifies that teachers and certain certificated educators pursuing endorsements in the listed subjects may qualify for the Educator Retooling Conditional Scholarship Program.
- Requires a preference be given to scholarship applicants seeking additional bilingual education or English language learner (ELL) endorsements if the individual is assigned to a school in need of improvement or with high ELL populations.

**SHB 1783: EXPANDING DUAL LANGUAGE AND BILINGUAL INSTRUCTION
FOR EARLY LEARNERS THROUGH SECONDARY STUDENTS**

Prime Sponsor: Representative Ortiz-Self

(SB 5675 Senator Roach)

**SHB 1783 was not enacted but is incorporated in part into the operating budget as a proviso, as described below:*

- Provides funds for the Office of Superintendent of Public Instruction (OSPI) to implement a grant program to build and expand K-12 dual language programs and create state-level infrastructure dedicated for such programs.
- Requires OSPI to award two-year grants to pairs of school districts with one district having an established dual language program that could be expanded and another district with the desire to implement a dual language program.
- Specifies that grant funds may be used for professional development, supplemental materials, training, administrative staffing of the program, site visits, recruiting bilingual teachers and instructional aides, program evaluation, and coaching.

ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

786-7406

SB 5310: ADDRESSING ENFORCEMENT ACTIONS AT FACILITIES SITED BY THE ENERGY FACILITY SITE EVALUATION COUNCIL

Prime Sponsor: Senator Ericksen

**Signed by the Governor*

- Raises the maximum fine the Energy Facility Site Evaluation Council (EFSEC) may impose for a permit violation from \$5,000 per day to \$10,000 per day, which equals Ecology's authority for violations of similar permits.
- Clarifies that Ecology may impose oil-discharge fines up to \$100,000 per day on EFSEC-certificated facilities that illegally discharge oil on the state's waters.
- Corrects statutory references, expressly lists some of the permits EFSEC issues, removes redundant language, and clarifies the appeal process.

E2SHB 1095: PROMOTING THERMAL ENERGY EFFICIENCY

Prime Sponsor: Representative Morris

**Signed by the Governor*

- Requires a combined heat and power (CHP) and life-cycle cost analysis before the construction or renovation of critical government facilities.
- Requires the Department of Ecology to establish a general air operating permit or permit by rule for new stationary natural gas engines used in CHP systems.
- Requires energy assessments for facilities covered by federal rules on boiler emissions.

HB 2264: AMENDING THE STATEWIDE MINIMUM PRIVACY POLICY FOR DISCLOSURE OF CUSTOMER ENERGY USE INFORMATION

Prime Sponsor: Representative Smith

**Signed by the Governor*

- Requires an electric utility to prohibit in its contract with a third party the sale of the utility's customer energy use information.
- Clarifies that the Consumer Protection Act covers the actions of a utility's third-party contractor, and not the actions of the electric utility because the utility is already regulated by either its governing board or the Utilities and Transportation Commission.
- Requires consumer-owned utilities to implement the Energy Privacy Policy passed during the 2015 regular session (SHB 1896).

GOVERNMENT OPERATIONS & SECURITY

786-7447

**SSB 5073: CONCERNING NONSUBSTANTIVE UPDATES AND REALIGNMENTS
OF THE STATUTORY RESPONSIBILITIES OF THE OFFICE OF
FINANCIAL MANAGEMENT**

Prime Sponsor: Senator Roach

**SSB 5073 is incorporated in its entirety into E2SSB 5315.*

HEALTH CARE

786-7456

EHB 2212: EXEMPTING HOSPITALS LICENSED UNDER CHAPTER 70.41 RCW THAT RECEIVE CAPITAL FUNDS TO OPERATE NEW PSYCHIATRIC SERVICES FROM CERTAIN CERTIFICATE OF NEED REQUIREMENTS

Prime Sponsor: Representative Cody

(SB 6086 Senator Becker)

**Signed by the Governor*

- Exempts hospitals from requiring a Certificate of Need (CON) for the addition of psychiatric beds funded by grants from the Department of Commerce during fiscal years 2016 and 2017.
- Requires new beds created under this section to remain psychiatric beds unless a CON is granted to change their use or the hospital voluntarily reduces its capacity.

HIGHER EDUCATION

786-7415

ESSB 5355: MODIFYING THE DEFINITION OF RESIDENT STUDENT TO COMPLY WITH FEDERAL REQUIREMENTS ESTABLISHED BY THE VETERANS ACCESS, CHOICE, AND ACCOUNTABILITY ACT OF 2014

Prime Sponsor: Senator Bailey

(HB 1825 Representative Kilduff)

**Signed by the Governor*

- Modifies the definition of resident student for veterans of the uniformed services, including spouses and dependents, who receive veterans administration educational assistance benefits, to comply with federal requirements established in the Veterans Access, Choice and Accountability Act of 2014.

LAW & JUSTICE

786-7455

SSB 6134: EXEMPTING PRETRIAL ELECTRONIC ALCOHOL MONITORING PROGRAMS FROM STATUTORY LIMITATIONS ON PRETRIAL SUPERVISION COSTS

Prime Sponsor: Senator Padden.

**Signed by the Governor*

- Eliminates the \$150 limitation on costs for pretrial supervision for pretrial electronic alcohol monitoring, drug monitoring, or the 24/7 sobriety program.
- Requires the court to specify (1) who will provide the monitoring services and (2) the terms under which the monitoring is performed in cases involving driving under the influence or being in physical control of a motor vehicle while under the influence, if electronic monitoring or alcohol abstinence monitoring is ordered.
- Authorizes the court to require, as a condition of the sentence, that the defendant reimburse the providing agency for the costs of the electronic monitoring or abstinence monitoring.

HB 1061: INCREASING THE NUMBER OF DISTRICT COURT JUDGES IN SKAGIT COUNTY

Prime Sponsor: Representative Hayes

(SB 5174 Senator Bailey)

**Signed by the Governor*

- Increases the number of authorized district court judges in Skagit County from two to three.
- Requires the legislative authority of Skagit County to approve the position and agree that the county pay the expenses of the additional position without reimbursement from the state.

TRADE & ECONOMIC DEVELOPMENT

786-7408

SHB 1897: CREATING THE JOINT CENTER FOR DEPLOYMENT AND RESEARCH IN EARTH-ABUNDANT MATERIALS.

Prime Sponsor: Representative Smith

**Signed by the Governor*

- Creates the Joint Center for Deployment and Research in Earth-Abundant Materials (JCDREAM) as an education and research center under the University of Washington and Washington State University.
- Directs the JCDREAM to accelerate the development of next generation clean energy and transportation technologies in Washington; coordinate research on earth-abundant materials; and promote environmentally responsible processes for manufacturing and recycling of advanced materials.

TRANSPORTATION

786-7300

SB 5242: CREATING PASSENGER-ONLY FERRY SERVICE DISTRICTS

Prime Sponsor: Senator Angel

(HB 1221 Representative Hansen)

*SB 5242 was not enacted, but is incorporated in its entirety into 2ESSB 5987.

SB 5323: EXTENDING AND MODIFYING THE COMMUTE TRIP REDUCTION TAX CREDIT

Prime Sponsor: Senator King

(HB 1822 Representative Farrell)

*SB 5323 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.

SB 5324: MODIFYING THE DISTRIBUTION AND USE OF AIRCRAFT EXCISE TAXES

Prime Sponsor: Senator Hobbs

*SB 5324 was not enacted, but the provisions are substantially similar to those in ESSB 6057 Sec 901.

SB 5325: INCENTIVIZING THE USE OF ALTERNATIVE FUEL COMMERCIAL USE VEHICLE WITH TAX PREFERENCES

Prime Sponsor: Senator King

(HB 1396 Representative Clibborn)

*SB 5325 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.

SB 5326: AUTHORIZING CERTAIN PUBLIC TRANSPORTATION BENEFIT AREAS TO IMPOSE A SALES AND USE TAX APPROVED BY VOTERS

Prime Sponsor: Senator Liias

(HB 1393 Representative Ortiz-Self)

*SB 5326 was not enacted, but is incorporated in its entirety into 2ESSB 5987.

SB 5333: EXTENDING THE SALES AND USE TAX EXEMPTION FOR CLEAN ALTERNATIVE FUEL VEHICLES

Prime Sponsor: Senator Mullet

*SB 5333 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.

SB 5416: CONCERNING SERVICE FEES ON VESSEL-RELATED TRANSACTIONS

Prime Sponsor: Senator King

(HB 2159 Representative Morris)

*SB 5416 was not enacted, but is incorporated in its entirety into 2ESSB 5987.

ESSB 5820: CONCERNING THE SALE OF CERTAIN DEPARTMENT OF TRANSPORTATION SURPLUS PROPERTY

Prime Sponsor: Senator King

*Signed by the Governor

- Removes specific public notice requirements applicable when the Washington State Department of Transportation (WSDOT) sells surplus property and instead requires the WSDOT to use the most appropriate method.
- Removes a process of public notice and additional offers that apply to the sale of property that does not receive any bids at a public auction.
- Provides certain conditions on equal value exchange transactions and requires the WSDOT to consult with the Office of Financial Management and the Joint Transportation Committee regarding such exchanges.

2ESSB 5987: CONCERNING TRANSPORTATION REVENUE

Prime Sponsor: Senator King

**Signed by the Governor*

**HB 1892 is incorporated in its entirety into 2ESSB 5987.*

**HB 1995 is incorporated in its entirety into 2ESSB 5987.*

**HB 1393 / SB 5326 are incorporated in their entirety into 2ESSB 5987.*

**HB 1221 / SB 5242 are incorporated in their entirety into 2ESSB 5987.*

**HB 2159 / SB 5416 are incorporated in their entirety into 2ESSB 5987.*

**SB 1757 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.*

**HB 2087 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.*

**HB 1822 / SB 5323 were not enacted, but the provisions are substantially similar to those in 2ESSB 5987.*

**HB 1396 / SB 5325 were not enacted, but the provisions are substantially similar to those in 2ESSB 5987.*

**SB 5333 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.*

**SB 5990 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.*

- Raises transportation revenue, primarily through increases in taxes and fees.
- Expands and creates new local transportation taxing and fee authority.
- Creates and extends tax preferences.
- Includes other various provisions related to state and local programs that facility the generating and spending of transportation revenue.

2ESSB 5988: CONCERNING ADDITIVE TRANSPORTATION FUNDING AND APPROPRIATIONS.

Prime Sponsor: Senator King

**Signed by the Governor/partial veto*

- Appropriates monies to various transportation agencies for the 2015-17 fiscal biennium based on additional revenues provided in Second Engrossed Substitute Senate bill 5987.
- A copy of the Governor's veto message can be found at: <http://lawfilesext.leg.wa.gov/biennium/2015-16/Pdf/Bills/Veto/Senate/5988-S.VTO.pdf>

ESSB 5989: AUTHORIZING BONDS FOR TRANSPORTATION FUNDING

Prime Sponsor: Senator King

**Signed by the Governor*

- Authorizes \$5.3 billion of general obligation bonds for Connecting Washington transportation safety and improvement projects.
- Provides that the bonds are backed by the motor fuel tax, vehicle-related fees used for highway purposes, and the full faith and credit of the state.

SB 5990: TRANSFERRING CERTAIN STATE SALES AND USE TAXES COLLECTED ON TRANSPORTATION PROJECTS TO THE CONNECTING WASHINGTON ACCOUNT

Prime Sponsor: Senator King

**SB 5990 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.*

2ESSB 5992: MODIFYING CERTAIN REQUIREMENTS FOR FERRY VESSEL CONSTRUCTION

Prime Sponsor: Senator King

**Signed by the Governor*

- Requires the Washington State Department of Transportation to use a design-build process for purchasing new ferries and an independent owner's representative in certain circumstances. Contracts must be fixed-price.
- Requires all bids to be rejected and a new request be issued that is not subject to build-in-Washington requirements if, after July 1, 2017, initial bids on a new vessel are greater than 5 percent above the Washington State Ferry engineers' estimate for the project
- Exempts options executed on existing contracts for new 144-car vessels from the requirements in this act.

2ESB 5993: CONCERNING PUBLIC WORKS CONTRACTS AND PROJECTS

Prime Sponsor: Senator King

**Signed by the Governor*

- Provides that the apprentice utilization requirement for Department of Transportation public works applies to projects estimated to cost \$3 million or more, rather than \$2 million or more, for five years beginning July 1, 2015.
- Requires the Department of Labor and Industries to provide an electronic prevailing wage survey option to registered contractors.

2ESSB 5994: CONCERNING PERMITS FOR STATE TRANSPORTATION PROJECTS

Prime Sponsor: Senator King

**Signed by the Governor*

- Requires cities, towns, and counties to issue permits to the Washington State Department of Transportation (WSDOT) for transportation projects that cost less than \$500 million within 90 days of the completion of the permit application, to the greatest extent practicable.
- Directs the WSDOT to coordinate a state agency workgroup in 2016 to evaluate the consolidation and coordination of review processes that apply to WSDOT projects under the State Environmental Policy Act and National Environmental Policy Act.
- Exempts certain projects and activities of the WSDOT from requirements to obtain a substantial development permit, a conditional use permit, a variance, a letter of exemption, or other review conducted by a local government to implement the Shoreline Management Act (SMA).
- Authorizes construction to begin on certain WSDOT transportation projects 21 days after the filing date for an SMA permit and without regard to the status of any review proceedings.

2ESB 5995: MODIFYING THE TRANSPORTATION SYSTEM POLICY GOAL OF MOBILITY

Prime Sponsor: Senator King

**Signed by the Governor*

- Adds congestion relief and improved freight mobility to the state transportation policy goals.

2ESSB 5996: CONCERNING WASHINGTON STATE DEPARTMENT OF TRANSPORTATION PROJECTS

Prime Sponsor: Senator King

**Signed by the Governor/partial veto*

- Directs the Washington State Department of Transportation (WSDOT) to continue using the multiagency permit program and places various requirements upon the staff and the program.
- Requires the WSDOT environmental staff to develop all environmental documentation and oversee project work in order to insure environmental compliance.
- Creates various training, design, and funding requirements related to environmental permitting.
- Requires the WSDOT to report regarding design errors with a cost of greater than \$500,000.
- ~~Requires the WSDOT to report regarding Lean, performance, and accountability.~~

2ESSB 5997: CONCERNING TRANSPORTATION PROJECT DELIVERY

Prime Sponsor: Senator King

**Signed by the Governor*

- Strongly encourages the Washington State Department of Transportation (WSDOT) to use design-build contracting for projects over \$2 million.
- Requires the Joint Transportation Committee (JTC) to conduct a design-build study to examine the WSDOT's implementation and use of design-build contracting.
- Directs the WSDOT to develop a construction program business plan that incorporates the findings from the JTC study and outlines sustainable staffing levels of state-employed engineering staff.

HB 1219: AUTHORIZING EXPEDITED PERMITTING AND CONTRACTING FOR WASHINGTON STATE BRIDGES DEEMED STRUCTURALLY DEFICIENT

Prime Sponsor: Representative Zeiger

**Signed by the Governor*

- Exempts the repair or replacement of structurally deficient bridges from the State Environmental Policy Act, within certain parameters.
- Defines structurally deficient as a state bridge that is at or below particular ratings.
- Includes the repair or replacement of a structurally deficient bridge in the circumstances when the Washington State Department of Transportation may use its emergency contracting procedures.

HB 1757: CONCERNING LOCAL TRANSPORTATION OPTIONS

Prime Sponsor: Representative Fey

**HB 1757 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.*

ESHB 1842: CONCERNING TRANSIT AGENCY COORDINATION

Prime Sponsor: Representative Farrell

**Signed by the Governor*

- Creates the Transit Coordination Grant Program at the Washington State Department of Transportation (WSDOT). Applications may be made by transit agencies in counties with a population over 700,000 that borders Puget Sound (King, Pierce & Snohomish).
- Adds coordination criteria to the Regional Mobility Grant Program and requires WSDOT to report annually on transit agency coordination and the new coordination grant program.

SHB 1892: REPEALING THE DEDUCTION FOR HANDLING LOSSES OF MOTOR VEHICLE FUEL

Prime Sponsor: Representative Fey

**SHB 1892 was not enacted, but is incorporated in its entirety into 2ESSB 5987.*

HB 1995: IMPOSING A NEW STUDED TIRE FEE

Prime Sponsor: Representative Fey

**HB 1995 was not enacted, but is incorporated in its entirety into 2ESSB 5987.*

ESHB 2012: CONCERNING THE IMPLEMENTATION OF PRACTICAL DESIGN BY THE DEPARTMENT OF TRANSPORTATION

Prime Sponsor: Representative Orcutt

**Signed by the Governor*

- Encourages the Washington State Department of Transportation (WSDOT) to continue to apply practical design in project delivery and specifies that the Legislature expects practical design to result in reduced project costs.
- Requires that significant changes to project title or scope as a result of practical design be approved by the Legislature and requires that local governments and interested stakeholders review all proposed practical design changes prior to implementation.
- Designates that savings attributable to practical design must be made available through the transportation future funding program for new connecting Washington projects, accelerating the schedule for existing connecting Washington projects, and preservation investments beginning in fiscal year 2024.

SHB 2087: CONCERNING VEHICLES POWERED BY CLEAN ALTERNATIVE FUEL

Prime Sponsor: Representative Fey

**SHB 2087 was not enacted, but the provisions are substantially similar to those in 2ESSB 5987.*

WAYS & MEANS

786-7715

SB 5017: DEFINING HONEY BEE PRODUCTS AND SERVICES AS AN AGRICULTURAL PRODUCT

Prime Sponsor: Senator Honeyford

**SB 5017 is incorporated in its entirety into ESSB 6057.*

SB 5042: PROVIDING A BUSINESS AND OCCUPATION TAX CREDIT FOR BUSINESSES THAT HIRE VETERANS

Prime Sponsor: Senator O'Ban

(HB 1241 Representative Muri)

**SB 5042 is incorporated in its entirety into ESSB 6057.*

SB 5112: CREATING A PILOT PROGRAM THAT PROVIDES INCENTIVES FOR INVESTMENTS IN WASHINGTON STATE JOB CREATION AND ECONOMIC DEVELOPMENT

Prime Sponsor: Senator Brown

**SB 5112 is incorporated in its entirety into ESSB 6057.*

SSB 5186: CONCERNING PROPERTY TAX EXEMPTIONS FOR SERVICE-CONNECTED DISABLED VETERANS AND SENIOR CITIZENS

Prime Sponsor: Senator Benton

**Signed by the Governor*

- Increases the combined disposable income by \$5,000 for senior citizens, persons retired due to disability, and 100 percent disabled veterans who qualify for a property tax exemption or deferral.

SB 5209: CONCERNING A HAZARDOUS SUBSTANCE TAX EXEMPTION FOR CERTAIN HAZARDOUS SUBSTANCES DEFINED UNDER RCW 82.21.020(1)(C) THAT ARE USED AS AGRICULTURAL CROP PROTECTION PRODUCTS AND WAREHOUSED BUT NOT OTHERWISE USED, MANUFACTURED, PACKAGED, OR SOLD IN THIS STATE

Prime Sponsor: Senator Warnick

(HB 1220 Representative Blake)

**SB 5209 is incorporated in its entirety into ESSB 6057.*

SB 5257: PROVIDING A REDUCED PUBLIC UTILITY TAX FOR LOG TRANSPORTATION BUSINESSES

Prime Sponsor: Senator Hargrove

**SB 5257 is incorporated in its entirety into ESSB 6057.*

E2SSB 5315: ALIGNING FUNCTIONS OF THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY, OFFICE OF THE CHIEF INFORMATION OFFICER, OFFICE OF FINANCIAL MANAGEMENT, AND DEPARTMENT OF ENTERPRISE SERVICES

Prime Sponsor: Senator Roach

(2SHB 1391 Representative Hudgins)

**Signed by the Governor*

**SSB 5073 is incorporated in its entirety into E2SSB 5315.*

- Transfers all duties and functions relating to information technology in the Office of Financial Management, the Office of the Chief Information Officer, and the Department of Enterprise Services to the Consolidated Technology Services Agency.
- Specifies that the director of the Consolidated Technology Services Agency is also the State Chief Information Officer.
- Creates several information technology related revolving accounts.
- Establishes a workgroup to review and update the central services funding model; agency billing rates; and each agency's chart of accounts.
- Makes nonsubstantive updates and realignments of the statutory responsibilities of the Office of Financial Management.

SSB 5324: MODIFYING THE DISTRIBUTION AND USE OF AIRCRAFT EXCISE TAXES

Prime Sponsor: Senator Hobbs

**SB 5324 is incorporated in its entirety into ESSB 6057.*

SB 5382: CONTINUING TAX PREFERENCES FOR ALUMINUM SMELTERS

Prime Sponsor: Senator Parlette

**SB 5382 is incorporated in its entirety into ESSB 6057.*

SSB 5463: CONCERNING ACCESS TO AND CREATION OF CULTURAL AND HERITAGE PROGRAMS AND FACILITIES.

Prime Sponsor: Senator Hill

(HB 1107 Representative Springer)

**5463 is incorporated in its entirety into ESHB 2263.*

SB 5543: IMPROVING THE ADMINISTRATION OF UNCLAIMED PROPERTY LAWS

Prime Sponsor: Senator Hill

(HB 1551 Representative Ryu)

**SB 5543 is incorporated in its entirety into ESSB 6057.*

ESSB 5681: CONCERNING STATE LOTTERY ACCOUNTS

Prime Sponsor: Senator Hill

**Signed by the Governor*

- Directs the transfers of any the balance of unclaimed prizes in excess of \$10 million to the Washington Opportunity Pathways Account each June 30th.
- Funds in the Lottery Administrative Account may be used to fund Lottery revenue forecasts by the Economic and Revenue Forecast Council.
- Funds from the State Lottery Account may be transferred to the Gambling Revolving Account in amounts as directed by the omnibus appropriations act.

SB 5698: EXTENDING THE EXPIRATION DATE OF TAX PREFERENCES FOR FOOD PROCESSING

Prime Sponsor: Senator Hewitt

(HB 1823 Representative Nealey)

**SB 5698 is incorporated in its entirety into ESSB 6057.*

SB 5702: CONCERNING THE TAXATION OF WAX AND CERAMIC MATERIALS USED TO MAKE MOLDS

Prime Sponsor: Senator Hobbs

(HB 2066 Representative Sells)

**SB 5702 is incorporated in its entirety into ESSB 6057.*

SB 5708: CONCERNING THE TAXATION OF CERTAIN RENTED PROPERTY OWNED BY NONPROFIT FAIR ASSOCIATIONS

Prime Sponsor: Senator Ericksen

**SB 5708 is incorporated in its entirety into ESSB 6057.*

SB 5827: PROVIDING A SALES AND USE TAX EXEMPTION FOR ELIGIBLE SERVER EQUIPMENT INSTALLED IN CERTAIN DATA CENTERS

Prime Sponsor: Senator Warnick

(HB 2011 Representative Springer)

**SB 5827 is incorporated in its entirety into ESSB 6057.*

SB 5878: CONCERNING NONRESIDENT VESSEL PERMITS AND TAXATION

Prime Sponsor: Senator Bailey

**SB 5878 is incorporated in its entirety into ESSB 6057.*

2ESSB 5954: REDUCING TUITION

Prime Sponsor: Senator Braun

**Signed by the Governor*

- Reduces the tuition operating fee in the 2015-16 academic year for resident undergraduate students (RUGs) at all public institutions of higher education by 5 percent from the 2014-15 academic year tuition operating fee.
- Reduces the tuition operating fees in the 2016-17 academic year for RUGs for state universities by 15 percent, for regional universities and The Evergreen State College by 20 percent, and for community and technical colleges by 5 percent from the 2014-15 academic year tuition operating fee. For each academic year thereafter, the tuition operating fee may grow by no more than the long-term average annual growth in the state median wage.
- Requires the Legislature to make higher education appropriations that are at least equal to the total state funds appropriated in the 2013-2015 fiscal biennium, plus the net revenue loss from full-time RUG operating fees received for the 2015-2017 fiscal biennium under the act, with net revenue loss adjusted for inflation in subsequent biennia.
- Requires the GET committee to ensure that the total payout value of the each GET account on the effective date of the act is not decreased or diluted as a result of tuition changes and requires that the payout values per unit cannot drop below the current \$117.82 per unit for the 2015-16 and 2016-17 academic years.

SB 6001: CONCERNING THE DEFINITION OF A NEWSPAPER

Prime Sponsor: Senator Cleveland

**SB 6001 is incorporated in its entirety into ESSB 6057.*

ESB 6013: PROVIDING USE TAX RELIEF FOR INDIVIDUALS WHO SUPPORT CHARITABLE ACTIVITIES

Prime Sponsor: Senator Roach

**Signed by the Governor*

- Increases the use tax exemption to \$12,000 for items purchased or received from a nonprofit organization or library until 2020.

ESSB 6052: MAKING 2015 FISCAL YEAR AND 2015-2017 FISCAL BIENNIUM OPERATING APPROPRIATIONS

Prime Sponsor: Senator Hill

(HB 1106 Representative Hunter)

**Signed by the Governor/partial veto*

- Makes state operating budget appropriations for the 2015-17 fiscal biennium and supplemental appropriations for the 2013-15 fiscal biennium.
- Additional details can be found on the Senate Ways & Means Committee website.
- A copy of the Governor's veto message can be found at: <http://lawfilesexternal.wa.gov/biennium/2015-16/Pdf/Bills/Vetoes/Senate/6052-S.VTO.pdf>

ESSB 6057: CONCERNING STIMULATING ECONOMIC DEVELOPMENT THROUGH THE USE OF TAX PREFERENCES AND STREAMLINED TAX ADMINISTRATION

Prime Sponsor: Senator Hill

**Signed by the Governor*

- *SB 5698 is incorporated in its entirety into ESSB 6057.*
- *SB 5827 is incorporated in its entirety into ESSB 6057.*
- *SB 5112 is incorporated in its entirety into ESSB 6057.*
- *SB 5382 is incorporated in its entirety into ESSB 6057.*
- *SB 6001 is incorporated in its entirety into ESSB 6057.*
- *SB 5257 is incorporated in its entirety into ESSB 6057.*
- *SB 5878 is incorporated in its entirety into ESSB 6057.*
- *SB 5324 is incorporated in its entirety into ESSB 6057.*
- *SB 5042 is incorporated in its entirety into ESSB 6057.*
- *SB 5017 is incorporated in its entirety into ESSB 6057.*
- *SB 5209 is incorporated in its entirety into ESSB 6057.*
- *SB 5708 is incorporated in its entirety into ESSB 6057.*
- *SB 5543 is incorporated in its entirety into ESSB 6057.*
- *SB 5702 is incorporated in its entirety into ESSB 6057.*
- Extends the business and occupation tax exemptions for manufacturers of fresh fruit, vegetables, seafood products, and dairy products to July 1, 2025.
- Provides a sales and use tax exemption for eligible server equipment and eligible power infrastructure located in data centers in which construction commences between July 1, 2015, and July 1, 2025. Extends the sales tax exemption for replacement servers, set to expire in 2020, for those data centers built between 2012 and 2015, to 2024.
- Creates the Invest in Washington pilot program. Provides a sales and use tax deferral of up to \$10 million for five projects that build, renovate, or expand manufacturing operations. Deposits deferral funds into the Invest in Washington account for job programs.
- Extends the tax preferences provided to the aluminum industry for ten years, to 2027.
- Subjects both the electronic version of a newspaper and the newspaper to the business and occupation tax at the rate of 0.35 percent.
- Lowers the public utility tax rate to 1.3696 percent from 1.926 percent for the hauling of logs over public highways.
- Allows nonresident entities to use vessels in Washington for a period of time without paying sales or use taxes. Sets a fee structure for nonresident entities with vessels under 164 feet to obtain a vessel permit to use the vessel in Washington.
- Provides that all of the aircraft excise tax is deposited into the aeronautics account, rather than depositing 90 percent into the general fund.
- Creates public utility and business and occupation tax credits for businesses that provide jobs to qualified veterans beginning October 1, 2106.
- Amends the terms "agricultural product" and "farmer" to include "honey bee products" and "apiarist."
- Provides an exemption from the hazardous substance tax for agricultural crop protection products warehoused in this state that are not subsequently used, packaged, manufactured, or sold in this state.
- Provides that the exception for property purchased or acquired by the nonprofit fair association from a county or a city between 1995 and 1998 does not expire after 2018. If any portion of the property is knowingly rented for more than fifty days, the exemption still applies but the rental income is subject to leasehold excise tax.

- Eliminates the June 30, 2015, expiration date for the sales and use tax exemption for wax, ceramic materials, and labor related to the creation of investment castings used in industrial applications.

2ESSB 6080: FINANCING PUBLIC SCHOOL FACILITIES NECESSARY TO SUPPORT STATE-FUNDED ALL-DAY KINDERGARTEN AND CLASS SIZE REDUCTION IN KINDERGARTEN THROUGH THIRD GRADE

Prime Sponsor: Senator Dammeier

**Signed by the Governor*

- Creates the K-3 class-size reduction construction grant pilot program in order to help school districts expand the number of classrooms in support of the K-3 class-size reduction objective.
- Provides a process for future funding assistance for additional K-3 classrooms to accommodate the Legislature's enacted K-3 class size reduction.
- Requires the Office of the Superintendent of Public Instruction, in consultation with stakeholders, the Office of Financial Management, and the Legislature to recommend an improved funding formula for calculating future grants, a prioritization process, and statutory and rule changes to ensure coordination with this program and the existing School Construction Assistance Program.

2ESB 6089: CONCERNING THE HEALTH BENEFIT EXCHANGE

Prime Sponsor: Senator Hill

**Signed by the Governor*

- Requires the Health Benefit Exchange (HBE) to create a 5- and 10-year spending plan, identifying potential spending reductions, metrics to capture current spending levels, and a strategic plan for the improvement of HBE operations.
- Establishes reporting requirements for the HBE to include information on salaries, contracts, policies, fund balances, contracts, and staffing required to operate the HBE.
- Requires HBE to verify qualifying documentation for enrollees seeking special open enrollment.
- Modifies notification requirements related to enrollees entering the grace period.

ESSB 6096: CONCERNING CANCER RESEARCH

Prime Sponsor: Senator Becker

**Signed by the Governor*

- Creates a 13-member cancer research endowment authority to develop and oversee a program to make grants for cancer research in Washington.
- Requires the creation one or more scientific review and advisory committees to evaluate grant proposals and make recommendations for funding to the authority.
- Requires contracting with a program administrator to provide services to the authority, including creating the CARE fund outside the state treasury for the deposit of grants and contributions from public and private sources.
- Creates the CARE fund match transfer account. Directs an appropriation into the account of up to \$10 million from tobacco tax enforcement collections each fiscal year beginning July 1, 2016, to match contributions in the CARE fund.

ESSB 6138: INCREASING STATE REVENUE THROUGH IMPROVED COMPLIANCE METHODS AND ELIMINATING TAX PREFERENCES FOR ROYALTIES AND CERTAIN MANUFACTURING EQUIPMENT

Prime Sponsor: Senator Hill

**Signed by the Governor*

- Increases the business and occupation tax rate on royalty income from 0.484 percent to 1.5 percent.
- Provides and economic nexus standard for wholesaling activities when determining if out of state companies owe Washington's business and occupation tax.
- Requires out of state retailers to collect Washington's sales tax when they enter into an agreement with a Washington business to refer potential customers by a link on a website or other method.
- Increases penalties for late payment of excise taxes by 4 percent.

2EHB 1115: CONCERNING THE CAPITAL BUDGET

Prime Sponsor: Representative Dunshee

(SB 5097 Senator Honeyford)

**Signed by the Governor/partial veto*

**ESSB 1420 is incorporated into the capital budget as a proviso.*

- Authorizes \$3.7 billion in new capital projects for the 2015-17 Capital Budget, of which \$2.2 billion are financed with state general obligation bonds.
- A copy of the Governor's veto message can be found at: <http://lawfilesexternal.wa.gov/biennium/2015-16/Pdf/Bills/Veto/House/1115.VTO.pdf>

ESHB 1166: CONCERNING STATE GENERAL OBLIGATION BONDS AND RELATED ACCOUNTS

Prime Sponsor: Representative Dunshee

(SB 5095 Senator Honeyford)

**Signed by the Governor*

- Authorizes issuance of \$2.3 billion in general obligation bonds in support of the 2015-17 biennial capital budget.

HB 2195: MODIFYING CERTAIN AUDITOR'S FEES

Prime Sponsor: Representative Lytton

**Signed by the Governor*

- Increases the surcharge collected by county auditors for recording instruments from \$2 to \$3, for deposit to the Washington State Heritage Center Account, which is used to support the State Library.

HB 2217: CONCERNING THE STATE'S USE OF THE JUVENILE OFFENDER BASIC TRAINING CAMP PROGRAM

Prime Sponsor: Representative Hunter

**Signed by the Governor*

- Removes the requirement for the Department of Social and Health Services to operate a juvenile offender basic training camp.

ESHB 2263: PROVIDING LOCAL GOVERNMENTS WITH OPTIONS TO STRENGTHEN THEIR COMMUNITIES BY PROVIDING SERVICES AND FACILITIES FOR PERSONS WITH MENTAL ILLNESS, DEVELOPMENTAL DISABILITIES, AND OTHER VULNERABLE POPULATIONS, AND BY INCREASING ACCESS TO EDUCATIONAL EXPERIENCES THROUGH CULTURAL ORGANIZATIONS

Prime Sponsor: Representative Springer

**Signed by the Governor*

**5463 is incorporated in its entirety into ESHB 2263.*

- Authorizes the governing body of a county or city to impose a 0.1 percent local sales tax for housing and related services for specific individuals if approved by a majority of voters.
- Permits a county or city to create a cultural access program (CAP) and authorizes a county or a city to fund the CAP by imposing a sales and use tax levy of up to 0.1 percent or, in a county with a population of 1.5 million or less, an equivalently-sized property tax levy.
- Provides restrictions and requirements for how revenues may be allocated within a CAP, including a requirement to create and fund public school cultural access programs.

EHB 2266: DEFERRING IMPLEMENTATION OF CLASS SIZE REDUCTION AND SCHOOL EMPLOYEE STAFFING FORMULA CHANGES

Prime Sponsor: Representative Sullivan

**Passed during the Third Special Legislative Session*

**Signed by the Governor*

- Provides legislative findings and intent declaring the educational reasons for temporary deferral of Initiative 1351, which include: (1) focusing on the near-term implementation of ESHB 2261 and SHB 2776 as directed by the court for class size reduction in early grades as recommended by the research reviewed by the Basic Education Funding Task Force and the Quality Education Council; and (2) practical issues of implementation, including production of new teachers, the need to avoid exacerbating teacher recruitment challenges, and time to plan and construct new classrooms.
- Revises the implementation schedule specified under I-1351, delaying by four years the implementation of allocations for class size reduction and increased staffing units. The first biennium by which the Legislature must begin to provide funding for prototypical staffing increases is changed to the 2019-21 biennium. Full funding is required to be provided by the end of the 2021-23 biennium.

EHB 2267: SUSPENDING THE STATE EXPENDITURE LIMIT IN ORDER TO IMPLEMENT THE STATE'S ARTICLE IX OBLIGATION TO AMPLY FUND BASIC EDUCATION

Prime Sponsor: Representative Hunter

**Signed by the Governor*

- Suspends the state expenditure limit until the 2021-23 fiscal biennium to allow the phased-in K-12 funding under the *McCleary* decision of the state Supreme Court.
- Directs the Economic and Revenue Forecast Council, in consultation with the Expenditure Limit Committee, to prepare draft legislation for introduction in the 2016 legislative session that synchronizes the requirements of the state expenditure limit, the four-year balanced budget requirement, and the budget outlook process.

EHB 2286: DIRECTING THE TREASURER TO TRANSFER BUDGET STABILIZATION ACCOUNT DEPOSITS THAT ARE ATTRIBUTABLE TO EXTRAORDINARY REVENUE GROWTH IN THE 2013-2015, 2015-2017, AND 2017-2019 FISCAL BIENNIA

Prime Sponsor: Representative Hunter

**Signed by the Governor*

- Directs the State Treasurer to transfer from the Budget Stabilization Account to the state General Fund the entire amounts of the deposits for the respective biennia that are attributable to "extraordinary revenue growth" for the 2013-15, 2015-17, and 2017-19 fiscal biennia.
- Specifies that the transfers must not exceed \$50 million in 2013-15, \$75 million in 2015-17, and \$550 million in 2017-19.
- Indicates that the transfers required by this act do not alter the requirement to balance the state budget in the ensuing fiscal biennium.

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